

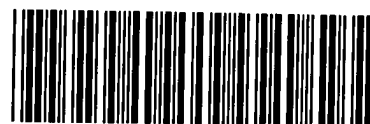


## Financial Statements and Accounts for the Year ended 31<sup>st</sup> March 2019



Photo from SARTHI, India – Health and Menstruation Programme for Adolescent Girls in Schools

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COMPANIES HOUSE

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### **Objectives and Activities**

The International Children's Trust was established with the purpose of relieving poverty in any country in the world where the education, health and quality of life for children and youth living in poverty may be improved. These improvements should enable them to gain access to their human rights (as set out in the United Nations Convention on the Rights of the Child) and have opportunities to become full participants in their societies.

#### **Vision**

To be a leading authority, with others, on the development needs of children throughout the world who are severely disadvantaged and 'at risk' through poverty; *and*

To be an active voice, campaigning to assert the rights of children as laid down in the Convention on the Rights of the Child.

#### **Mission**

By funding, developing and supporting our partners who are working with disadvantaged and 'at risk' children, their families and their communities in low and middle-income countries; *and*

By developing an effective network through the International Children's Trust between our partners whose similarities and differences combine to form a collective experience in the field of international child development for the purpose of learning and giving strength through mutual support.

We ensure our vision and mission can be achieved by developing sustainable, rights-based and holistic projects with local partners that will:

- Focus on vulnerable children in each community, subjected to poverty, violence, abuse and discrimination.
- Tackle the physical, psychosocial and educational barriers to a child's development.
- Create strong family and community support structures.

As a UK based international development agency, we look to strengthen the capacity of these local partners through:

- The pursuit of funding opportunities.
- The continual examination and improvement of organisational practices.
- The provision of programmatic advice, tailoring responses that recognise the diversity of local contexts.
- The development of a network of local partners to share collective experience with each other and wider networks to develop best practice.

In setting our strategic objectives each year, we have regard to both the Charity Commission's general guidance on public benefit and the relief of poverty for the public benefit. The Trustees ensure that the programmes undertaken are in line with our charitable objects and aims.

All of our charitable activities are directed towards, and motivated by, our desire to tackle the root causes of child poverty and are undertaken to further our charitable purposes for the public benefit.

### **Working with Partners**

The International Children's Trust has been working tirelessly over the past 50 years to bring about the changes that children need to overcome regarding the impact of childhood poverty and deprivation, being safe from violence, and exercising their right to education.

The Trust awards grants to support transformational projects; benefiting the most disadvantaged children and young people in every country around the world. With this in mind, we work collaboratively with grassroots and community-led organisations with charitable status, as well as non-profit making and local authorities in order to support their needs and achieve lasting change in children's lives.

We have 10 partners in 8 countries in Africa, Asia, and Latin America. These are:

#### **AFRICA**

<b>Burkina Faso</b>	Keoogo
<b>Ghana</b>	Youth Alive
<b>Zimbabwe</b>	Chiedza Child Care Centre

#### **ASIA**

<b>Bangladesh</b>	Bangladesh Integrated Social Advancement Programme (BISAP)
<b>India</b>	Rotary Club of Madras Boys Town Society Inner Wheel Club of Madras – The Barbara Kelly Home SARTHI
<b>Sri Lanka</b>	SERVE

#### **LATIN AMERICA**

<b>Ecuador</b>	Fundación Junto Con Los Niños (JUCONI)
<b>Mexico</b>	Fundación Junto con las niñas y los niños (JUCONI)

## **Programmes**

ICT continues to work in collaboration with grassroots organisations. Together we ensure that those living in vulnerable situations have access to the most basic needs such as health, sanitation, education and to child protection systems. We encounter many challenges when supporting the world's most disadvantaged children. Nevertheless, the data and stories we collect help us to understand these challenges and reduce their impact, to share and disseminate learning and to bring positive change.

## **Africa**

### **Burkina Faso**

#### **Keoogo**

Keoogo has built a community-led, walled village 17 km north of the capital Ouagadougou, to provide food, protection, health care, education and vocational training for girls living on the streets with their children. The village's name is 'Beoogo Tienbo', which means 'Hope for the Future' in Moore, the main spoken language of Burkina Faso.

The main objectives of the project are as follows: to improve the well-being and life-prospects of these girls and their children; to provide a 12 month programme of vocational training and skills development to increase the girls' chances of integration into the local labour market; to introduce income-generating 'micro-activities' to ensure a reliable source of income for the girls and their children in the long-term.

The village will also offer access to a nursery school, a playground, a food bank and other facilities to 6000 members of the surrounding community. To ensure post-funding sustainability and viability of the village, the project aims to develop agro-ecological activities through vocational training such as market gardening, bee-keeping and small-sized breeding as well as food service activities such as a bakery and a restaurant.

Due to the urgent need to provide these girls with the means to provide for themselves, the village will open in a few months providing psychosocial counselling to the young mothers. However there is still a need for additional staff and more equipment to deliver the training component, as the current challenges for the project are in acquiring the equipment for the bakery, catering, weaving and sewing workshops. Increasing the food budget for the girls and their children is also another priority.

### **Ghana**

#### **Youth Alive**

International Children's Trust has been working with Youth Alive to design a project which proposes to reduce child marriage and restore the dignity of girls in 4 Districts in Northern Ghana. Child marriage in Ghana is deeply rooted in tradition and discriminatory gender norms, poverty and lack of education. In Ghana, the legal age of marriage is 18 for both girls and boys. However, they can marry as young as 16 with the consent of their parents. For these reasons, the project proposes to work with and seek the support of traditional leaders and authorities (chiefs, queen-mothers, etc.) within rural communities to implement by-laws that will prevent early child and forced marriage. The project also proposes to re-enrol child brides into school and ensure that all girls of school going age have access to education, enhance girls' life skills and provide a comprehensive sexual and reproductive health education which can address cross-cutting issues which are intertwined with child marriage.

Youth Alive is also seeking support to promote the realisation of equal rights for children with disabilities in rural Ghana and to facilitate access to quality education and skills training.

## **South Africa**

### **New Life Community Projects**

The objectives of the project ran in collaboration with International Children's Trust have been met and the programme has now finished. The organisation New Life Community Projects has been scaled down and the new scope of its activities will not require further support. Therefore the partnership between New life and International Children's Trust has now come to an end.

We pass on our thanks to everyone who has worked with us to deliver this programme successfully; including our funder Comic Relief who provided circa £750K over 4 years.

## **Zimbabwe**

### **Chiedza Child Care Centre**

At the invitation of the Rotary Club of Coventry, our Chiedza 'Saving and Lending' project in Zimbabwe was entered for the Heart of England District International Awards and won first prize. The project was UK Aid funded in collaboration with the International Children's Trust and scored a remarkable A+. The Rotary Club of Coventry and ICT will be giving a joint presentation about the project to the Heart of England District International Conference by the end of this year.

International Children's Trust will be also working with Chiedza to design a project which proposes to provide comprehensive sexual and reproductive health education and services for adolescents.

## **Asia**

### **Bangladesh**

#### **Bangladesh Integrated Social Advancement Programme (BISAP)**

BISAP came into existence in 1989 in response to the felt-needs of the area's poor people, especially problems of endemic poverty, which manifest in landlessness, unemployment, illiteracy, malnutrition and vulnerability to frequent natural disasters, by the active initiative of local social workers, philanthropists and educators with a goal to alleviate poverty through empowerment, education and resource mobilisation for improving their lives and livelihoods, and innovating appropriate development strategies to lead the programme towards sustainability.

BISAP is still seeking support from International Children's Trust to continue to deliver its main programmes.

## **India**

### **Rotary Club of Madras Boys Town Society**

The project continues to provide a home, food, education and health care to 100 boys from low income rural households. This involves secondary education from 6th to 12th Grade (12 - 18 years of age) and includes boarding during term time, eating nutritious food, receiving regular tuition from qualified teachers in general subjects, plus access to music classes, yoga and physical education.

The boys also receive careers guidance to help them to make choices about academic, technical and vocational courses as they progress through the school. The success rate of the children for the academic year 2017-2018 was a remarkable 97%.

In order to ensure the long term sustainability of the home and to ensure that healthy food is provided for the children, the home works with local providers and receives wheat flour, rice and soap on a monthly basis.

In 2018, the home was satisfactorily audited by the National Commission of Child Rights and District Child Protection Team.

The same year the Rotary Club has also adopted three villages, namely Amarambedu, Panjalai and Kannankottai, and offer space for education in each village. Currently the club provides classes to 28 out of 32 children – boys and girls – living in these villages. Classes take place in centres situated in teachers' homes and these centres are visited twice a month to collect feedback from the children and then adjust the content of the programme as necessary. The visits are also useful to address any issues and to ensure the compliance by teachers to the safeguarding and operational policies of the Rotary Club of Madras.

#### **Inner Wheel Club of Madras – The Barbara Kelly Home**

The Barbara Kelly Home has stopped to function as a hostel for girls from the 30<sup>th</sup> of April 2018. The girls were already accommodated at the Ellen Sharma School Hostel until the end of the academic year (April 2018). The Barbara Kelly Home has been taking care of their school and boarding fees until then.

The Inner Wheel Club of Madras will explore possibilities to continue to support girls' education in India.

#### **SARTHI**

SARTHI has initiated a new project to provide education and support for adolescent girls as many are missing school every month or dropping out, due to menstruation and associated health problems. These topics are often seen as a social taboo in communities and there is a lack of information and little access to sanitary products.

A young peer mentor and college student facilitated the first pilot programme and the session provided a safe, friendly space for 28 adolescent girls to discuss the topic and related challenges. Based on the success of this first session and the positive feedback, the SARTHI programme has been replicated in four schools, benefitting 144 girls. In the four schools, girls' consortiums are now running composed of eighteen girls between the ages of 12 and 15 years of age, who act as peer mentors and receive training to become school health advisors. These girls talk not only to other girls in the same school, but also to their teachers, about the importance of maintaining good personal hygiene habits and eating healthier, affordable food by including seasonal fruit and vegetables in their diets.

At policy level, the SARTHI project is working with head teachers and school representatives in local Panchayat to advocate for comprehensive programmes on 'Health and Hygiene' for girls and also improving toilet and washing facilities and providing free sanitary pads with corresponding budgetary allocations. The programme has already raised interest and awareness about adolescent health in the communities and has been welcomed by relevant stakeholders. Information, education and communication materials will be developed to share and disseminate learning.

#### **Sri Lanka**

#### **SERVE**

SERVE is a Sri Lankan non-profit organisation working for the empowerment of the disadvantaged, especially children. SERVE has been in partnership with ICT for more than ten years. The project continues to support and empower children from poor, marginalised communities living in shanty towns and low-income housing schemes.

The SERVE children's community centres help children to complete their education successfully through bursarial support. In addition, local social workers also provide these children with guidance and counselling for the day to day psychosocial problems/abuse they may face at home, in the community and at school. The project has also trained community facilitators to create awareness among mothers about safeguarding their

children from all forms of abuse, including sexual abuse. Two hundred families have taken part in this project so far.

In May 2019 a community eye care centre will open in Moratuwa. The project aims to help 500 children to receive free eye tests and spectacles in the coming year. ICT also continue to support the work of SERVE through individual sponsorships.

## **Latin America**

### **Ecuador**

#### **JUCONI**

JUCONI is running a programme helping 120 children – 70 boys and 50 girls – from under-resourced communities in Guayaquil to live happier, healthier and safer lives.

The level of violence within these communities continues to be a challenge as well as the use of psychoactive drugs by children as young as 6, 7 and 8 years of age. In these neighbourhoods, children are used to wandering the streets at different times of the day and night and can also be tempted into micro-trafficking as a way to earn “easy” money. These issues often lead to more crime, robberies, gang activity etc. and children, families and communities live in constant fear for their safety.

There is a lack of sheltered playgrounds within these communities and the JUCONI Ecuador programme has developed child-friendly safe areas where children are able to take part in sport, games, have fun and develop healthy relationships with their peers. Trained JUCONI youth workers promote the practice of sport as it is seen as contributing to improving self-control and strengthening positive values such as solidarity, tolerance, discipline, teamwork, self-confidence and personal development.

At the same time, supporting parents is also seen as essential in preventing children from being at risk, so trained JUCONI counsellors offer guidance and support to a total of 104 parents and guardians. Weekly meetings are held to build on their knowledge about individual health and well-being, parenting and to help strengthen their social skills.

ICT also continues to support the work of JUCONI Ecuador through individual sponsorships and by delivering a 3-year project to reduce violence in early childhood.

### **Mexico**

#### **JUCONI**

JUCONI Mexico is located in the state of Puebla, two hours away from Mexico City. For more than 30 years, JUCONI Mexico has been working with children who drop out of, or who are not spotted by, existing government and NGO service provision. JUCONI experience shows that a violent family environment contributes to children being on the streets and if it continues, is transferred from one generation to another.

In order to address this situation, JUCONI Mexico delivers a 12 month ‘Early Childhood Development and Parent Attunement Programme’, for 170 street market children aged between 0 to 5 years old. These children spend a lot of time alone, with no supervision, in the markets where their parents work, and this also puts them at risk of abuse and exploitation. The programme uses innovative therapeutic techniques to strengthen parents and care-givers skills by getting them to observe and reflect on their child’s early stage of development through the use of free play and video sessions.

ICT will give additional support to this programme from April 2019 so it will involve older siblings, family visits to museums and the use of a ‘HOME’ inventory by JUCONI family educators to help them to assess the family life of the children and parenting. This will be done through a series of interviews with the families in their homes.



## **Thank You**

There are so many benefactors, philanthropic associations and grant-making bodies we would like to thank. Without their support, most of our work in Africa, Asia and Latin America would simply not be possible. This includes:

Comic Relief  
UK Aid Direct (Department for International Development fund)  
The Jo Li Trust  
The Three Oaks Trust  
The Hetty George DRC Trust  
Inner Wheel Clubs of Great Britain & Ireland  
Rotary Clubs of Great Britain & Ireland

But also, we would like to say a huge thank you to all our members, individual donors, long-term supporters and child's sponsors for their generosity and trust in our mission.

## **International Children's Trust** **Financial Report for the Year**

The Statement of Financial Activities on page 17 and subsequent pages give detailed information for the financial year to 31st March 2019.

This has been another difficult year for International Children's Trust. Government overseas aid policy changes have significantly affected the Trust's ability to raise grant income for certain partners. These partners have reported difficulties to maintain the same level of activities; with some of them closing down. Income has also declined from all traditional sources and, in the last financial year, income fell to £69,279 (2018: £130,663).

The total resources expended during the year were £70,716 (2018: £136,651).

A number of steps were taken to reduce overhead expenditure for the International Children's Trust and to ensure that value for money is continually being achieved.

### **Reserve Policy**

The ICT's unrestricted reserves refer to income that The ICT has available and is able to be expended at the Trustees' discretion in furtherance of any of the charity's objects, but which is not yet spent, committed or designated.

The Council of Management reviewed the Reserves Policy in May 2016 and determined to maintain reserves that cover a minimum of 1 months' expenditure in the United Kingdom, with a view to further examine the policy within a year. The Policy has not been revised to date.

At 31<sup>st</sup> March 2019, general unrestricted reserves, excluding fixed assets was £77,589 equivalent to 22 months' expenditure.

### **Going Concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for the 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

### **Structure, Governance and Management**

The International Children's Trust is a registered charity and charitable company limited by guarantee governed by its Memorandum and Articles of Association dated 19th July 1967, as amended by special resolutions passed on the 2nd November 1991, 21st November 1998, 29th January 2000, 3rd November 2001, 2nd October 2004 and 18th July 2012. The Memorandum and Articles of Association sets out the objects and powers.

## Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are referred to as the trustees. The trustees constitute the Council of Management, with a maximum of 11 trustees able to serve at one time.

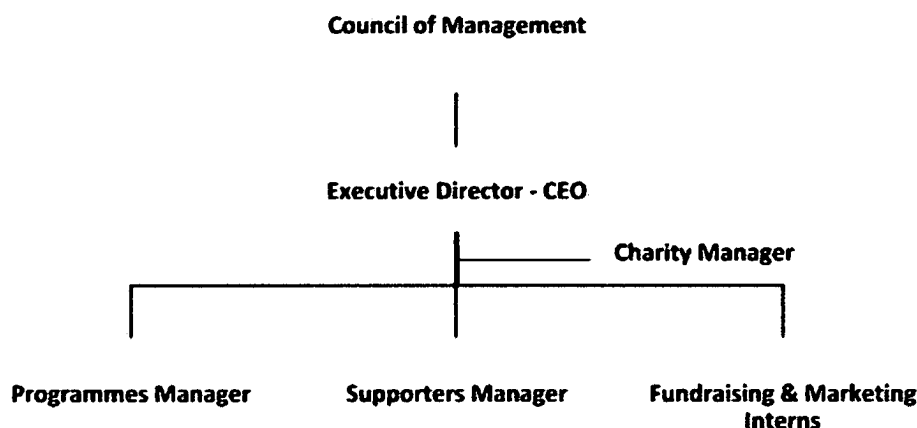
Confirmed trustees serving through the 2018/19 financial year, and on the date the report was approved, were:

Mr Kenneth Holmes      *Chair*  
Mr Dan Jones  
Mrs Karen Bennett

## Recruitment & Appointment of Trustees

New trustees are recruited through a combination of an open recruitment process and networking by existing trustees and senior management. Following informal discussions with the Executive Director and/or existing trustees, potential new trustees are interviewed by the Council of Management. Appointments, by a majority vote of the Council, are made based on the candidate's particular skills and experience. To be eligible as a trustee, the candidate must be a member of the International Children's Trust. The membership of the International Children's Trust must ratify any appointments made by the Council of Management during the year at the Annual General Meeting.

## Management & Staff



The Council of Management have undertaken a restructuring of the charity. In November 2016, a Chief Executive Officer was appointed to assist through this process. The trustees delegate responsibility for day to day execution of the charity to the Chief Executive Officer. The Chairman supports the Chief Executive Officer on key items of the charity's development.

In October 2018 we have recruited a Supporters Manager volunteer which is playing a key role in helping with the smooth running of our sponsorship programmes and the long-term relationships with donors and supporters. The charity will be looking in the next year to recruit a Charity Manager to provide executive assistance and operational support to the CEO; and develop its business operations and fundraising activities in Coventry where the charity is based and in the neighboring communities.

## **Equal Opportunity Policy**

The International Children's Trust maintains an equal opportunities policy, actively ensuring that staff, intern and volunteer recruitment, promotion and training procedures and practices do not discriminate. These take into account grounds of gender (including gender reassignment), sexual orientation, ethnic origin, religion or belief, age, colour, physical ability, marital status and pregnancy/maternity. This also includes the prevention of unfair discrimination based on other elements of diversity, such as caring commitments, employment status or offending background.

The International Children's Trust also seeks to support its overseas Partners in the development and implementation of their own equal opportunities policies, and to ensure that Partners' programmes consistently reach the most excluded and marginalised children within the cultural and geographical context in which each specific Partner is operating, to allow wide access to empowerment and participation opportunities, regardless of race, sexual orientation, religion, creed, disability, age or gender.

## **Child Protection Policy**

International Children's Trust operate with Child Protection Policies which provisions cover all staff, board members and volunteers. ICT Child Protection Policy is firmly based on the principles of the UN Convention on the Rights of the Child and ICT's partners are expected to comply with our child protection standards. ICT policy include standards in seven different areas of organisational practice: personnel recruitment; education and training; management structure; behaviour protocols; communications about children; reporting and reaction protocol; ramifications of misconduct.

## **Risk Assessment**

Trustees are responsible for reviewing and minimising the risks faced by the International Children's Trust. The Council of Management monitors the performance of the charity at their regular Council Meetings, assessing the areas of potential risk, and working to minimise their effect on the Trust.

The ICT continues to maintain its relationship with institutional grant givers and individual sponsors and donors, ensuring timely and effective reporting takes place.

## **Statement of Trustees' Responsibilities**

The Trustees (who are also directors of the International Children's Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial

statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Statement as to disclosure to our auditors**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **Small Companies Exemption Statement**

The report of the Trustees has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

#### **Funds held by the International Children's Trust as Custodian Trustee of the Arnold Lodge Fund**

The International Children's Trust continued to hold funds as custodian trustee of the Arnold Lodge Funds.

Note re the swap of CESC Shares for the equivalent value of the Endowment Fund held in the State Bank of India Account.

'The Endowment Fund is for £60,000.

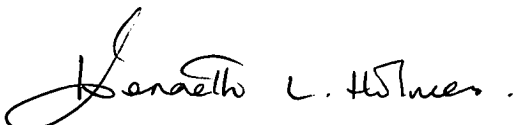
ICT hold 8,439 Shares in CESC which at the Date of the Swap, 19th March 2018, had a value of £84,000

The £60,000 Endowment represents 72% of the Shares, ie :- 6076 Shares.

The remaining Shares represents 28% of the total, ie:- 2363 Shares, which are outside of the Endowment and available to ICT as unrestricted assets. The dividend from CESC should be shared in the same %, with 72% of the Dividend passing to the Boys Town Society of India for use by the Rajapalayam Hostel in Tirunelveli District.

The Trustees acknowledge that Share Prices can vary in value but believe it is beneficial to the intended objects of the Endowment to act in this way as it avoids the vagaries of Exchange rates and charges associated with applying the India Shares to the benefit of the India Boys Town, by utilizing our ICT India Account, opened with the State Bank of India. The dividends are more than likely to exceed the current returns on the UK investment and are also likely to appreciate in value over the longer term, which has been the case since they were left to ICT.'

Signed on behalf of the Council of Management:



**Kenneth Holmes**  
**Chair of Trustees & Director**

Date: 18<sup>th</sup> November 2019.

**Reference and Administrative Details**

**Registered name:** International Children's Trust

**Charity number:** 254781

**Company Number:** 00911119

**Registered Office & Principal Address:** Ground Floor Suite 4, Trussell Trust RDC, Progress Way  
Coventry CV3 2NT

**Telephone:** 07483413616

**Website:** [internationalchildren.org](http://internationalchildren.org)

**E-mail:** [help@internationalchildren.org](mailto:help@internationalchildren.org)

**Accountants:** Jeremy Richards Limited,  
45 Styvechale Avenue, Earlsdon, Coventry CV5 6DW

**Auditors:** McGlone Wardzynski Limited  
Eagle House, 14 Queens Road, Coventry CV1 3EG

**Bankers:** National Westminster Bank,  
Cathedral Square, Peterborough, PE1 2NE

State Bank of India, UK  
68 Hertford Street, Coventry, CV1 1LB

## **International Children's Trust**

### **Report of the Independent Auditors to the Members**

#### **on the financial statements for the year ended 31 March 2019**

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We have audited the financial statements of International Children's Trust for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the trustees and auditors**

As explained more fully in the Trustees Responsibilities Statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements which give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the trustees for the financial period for which the financial statements are prepared is consistent with the financial statements and has been prepared in accordance with legal requirements.

**International Children's Trust**

**Report of the Independent Auditors to the Members (continued)**

**on the financial statements for the year ended 31 March 2019**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the Report of the trustees and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Elliot McGlone (Senior statutory auditor)

For and on behalf of

McGlone Wardzynski Limited Chartered Certified Accountants, Statutory Auditor

Eagle House  
14 Queens Road  
Coventry  
CV1 3EG

Date: 3rd December 2019



**International Children's Trust**  
**Statement of Financial Activities**  
(incorporating the income and expenditure account)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £	Total 2018 £
<b>Income from:</b>						
Donations, sponsorship & membership	2a	21,324	28,848	-	50,172	51,791
Grants from Government agencies	2b	5,005	-	-	5,005	67,437
Grants from other sources	2c	5,675	5,075	-	10,750	6,900
Activities for generating funds	2d	-	-	-	-	4,730
Investments	2e	2,145	-	-	2,145	216
Other	2f	407	800	-	1,207	(411)
<b>Total income</b>		<b>34,556</b>	<b>34,723</b>	<b>-</b>	<b>69,279</b>	<b>130,663</b>
<b>Expenditure on:</b>						
Charitable activities	3a	13,230	27,228	-	40,458	108,894
Costs of generating voluntary income	3b					
- Fundraising		8,031	-	-	8,031	7,785
- Management and administration		22,227	-	-	22,227	19,972
<b>Total expenditure</b>		<b>43,488</b>	<b>27,228</b>	<b>-</b>	<b>70,716</b>	<b>136,651</b>
<b>Net income/(expenditure) before gains and losses on investments</b>		<b>(8,932)</b>	<b>7,495</b>	<b>-</b>	<b>(1,437)</b>	<b>(5,988)</b>
<b>Net gains/(losses) on investments</b>		<b>(6,062)</b>	<b>(15,588)</b>	<b>-</b>	<b>(21,650)</b>	<b>2,060</b>
<b>Net income/(expenditure) Before transfers</b>		<b>(14,994)</b>	<b>(8,093)</b>	<b>-</b>	<b>(23,087)</b>	<b>(3,928)</b>
<b>Gross transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income/(expenditure)</b>		<b>(14,994)</b>	<b>(8,093)</b>	<b>-</b>	<b>(23,087)</b>	<b>(3,928)</b>
<b>Funds brought forward</b>		<b>112,071</b>	<b>86,701</b>	<b>7,625</b>	<b>206,397</b>	<b>210,325</b>
<b>Balances carried forward</b>		<b>97,077</b>	<b>78,608</b>	<b>7,625</b>	<b>183,310</b>	<b>206,397</b>

All incurred expenditure derived from continuing activities on the Statement of Financial Activities includes all gains and losses during the year.

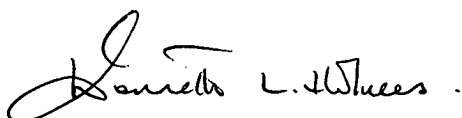
The notes on pages 19 to 27 form part of these accounts.

**International Children's Trust**  
**Balance Sheet as at 31<sup>st</sup> March 2019**

			2019		2018
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		534		1,134
Investments	9		<u>67,691</u>		<u>89,341</u>
			68,225		90,475
<b>Current assets</b>					
Debtors	10	6,237		1,549	
Cash at bank and in hand		<u>111,467</u>		<u>121,733</u>	
		117,704		123,282	
Creditors: Amounts falling due within one year	11	<u>2,619</u>		<u>7,360</u>	
Net current assets			<u>115,085</u>		<u>115,922</u>
Net assets			<u>183,310</u>		<u>206,397</u>
<b>Funds</b>					
Unrestricted			97,078		112,071
Restricted	12		<u>78,608</u>		<u>86,701</u>
			175,686		198,772
Endowment	12		<u>7,625</u>		<u>7,625</u>
	13		<u>183,310</u>		<u>206,397</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standards applicable in the UK and Republic of Ireland'.

The accounts were approved by the Board of Trustees on (date) 19<sup>th</sup> November 2019 and were signed on their behalf by:



**Kenneth Holmes**  
**Chair of Trustees & Director**

Company Registration No. 00911119

The notes on pages 19 to 27 form part of these accounts.

## **1. Accounting Policies**

### **a. Accounting policies**

International Children's Trust is a company limited by guarantee registered in England and Wales. The address of the registered office of the charity is given in the charity information on page 14 of these financial statements. The nature of the charity's operations and principal activities are sourcing funding to further the relief of poverty in any country in the world where the education, health and quality of life for children and youth living in poverty may be improved

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2017 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Cash Flow Statement**

The charitable company has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement.

#### **Going Concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### **Unrestricted funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

#### **Restricted funds**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the annual trustee report of the financial statements.

#### **Endowment funds**

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

### **b. Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### **c. Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements have been made in the process of applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements:

**Estimation of the useful life** - The useful economic life used to depreciate tangible fixed assets relates to the expected future performance of the assets acquired and management's estimates of the period over which economic benefit will be derived from the asset.

**Estimation of residual value** - The residual value of an asset is the estimated fair value of that asset at the end of its useful economic life and therefore is also dependent upon the estimation of that life span.

**Cut off** - The only estimation applied in these accounts regarding cut off is concerning accruals where an estimation of the costs relating to the relevant period were applied when relating to a different period.

#### **d. Income**

Income is recognised in the period in which the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Grants and legacies are included in full on the date the International Children's Trust becomes entitled. Cash donations and gifts are included as they are received. Tax recoverable on gift aid is accounted for in the period in which the attributable income was received and is included in donations with the original gift. The value of voluntary help is not included in the accounts.

#### **e. Expenditure**

Expenditure is accounted for on an accruals basis, inclusive of VAT. Where such costs relate to more than one functional cost category, they have been split on an estimated time basis. Expenditure, including grants payable, are included in the income and expenditure accounts as they are incurred.

#### **f. Tangible Fixed Assets**

Depreciation is provided on all tangible fixed assets so as to write off the cost, less any residual value, of each asset over its expected useful life as follows:

Fixtures & Fittings    25% p.a. straight line

The carrying value of tangible fixed assets are reviewed for impairment annually by the trustees/directors without reviewing the assets. Where the aggregate value of those assets is less than the aggregate that they are stated in the charity's accounts, a provision will be made for any material impairment.

#### **g. Investments**

Investments are stated as fair value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals during the year.

#### **h. Foreign Currency Translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currency are recorded at the rate prevailing at the date of the transaction. Differences arising are taken to the Profit and Loss Account.

#### **i. Operating Leases**

Rentals paid under operating leases are charged against income on a straight line basis over the lease term.

#### **j. Gifts in kind**

The value of gifts in kind provided to the Charity are recognised at their fair value in the period in which they are receivable as incoming resources. Where the gift in kind is a fixed asset, this amount will be included in the appropriate fixed asset category and depreciated over its useful economic life in accordance with the Charity's depreciation policy.

#### **k. Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

## 2. Income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £	Total 2018 £
<b>a Donations, sponsorship &amp; membership</b>					
Donations	18,523	11,668	-	30,191	27,620
Sponsorships	2,455	17,180	-	19,635	23,875
Legacies	-	-	-	-	-
Membership	346	-	-	346	296
	<u>21,324</u>	<u>28,848</u>	<u>-</u>	<u>50,172</u>	<u>51,791</u>
<b>b Grants from Government agencies</b>					
DFID - Zimbabwe	5,005	-	-	5,005	67,437
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,437</u>
<b>c Grants from other sources</b>					
Bournemouth North Rotary Club	-	-	-	-	5,700
Hetty George DRC Trust	75	675	-	750	1,200
The Jo Li Trust	5,000	-	-	5,000	-
The Three Oaks Trust	600	4,400	-	5,000	-
	<u>5,675</u>	<u>5,075</u>	<u>-</u>	<u>10,750</u>	<u>6,900</u>
<b>d Activities for generating funds</b>					
Fundraising events	-	-	-	-	4,730
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,730</u>
<b>e Investments</b>					
Interest:					
National Westminster Bank	-	-	-	-	-
National Savings Income Bonds	-	-	-	-	-
State Bank of India	158	-	-	158	216
	<u>158</u>	<u>-</u>	<u>-</u>	<u>158</u>	<u>216</u>
Dividends:					
CESC Limited	1,987	-	-	1,987	-
	<u>2,145</u>	<u>-</u>	<u>-</u>	<u>2,145</u>	<u>216</u>
<b>f Other</b>					
Sundry Income	407	800	-	1,207	(411)
	<u>407</u>	<u>800</u>	<u>-</u>	<u>1,207</u>	<u>(411)</u>

### 3. Expenditure

#### a Charitable activities

All funds transferred to overseas projects are spent in accordance with project budgets. Projects receiving funds are required to report on all expenditure.

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019	Total 2018
	£	£	£	£	£
India	275	7,277	-	7,552	9,241
Sri Lanka	-	1,684	-	1,684	1,805
Mexico	-	2,656	-	2,656	5,687
Ecuador	-	15,611	-	15,611	11,857
South Africa	-	-	-	-	-
Ghana	-	-	-	-	5,100
Arnold Lodge	-	-	-	-	-
Burkina Faso	-	-	-	-	-
Zimbabwe	-	-	-	-	61,601
UK - project costs	8,729	-	-	8,729	8,920
UK - governance costs	4,226	-	-	4,226	4,683
	<u>13,230</u>	<u>27,228</u>	<u>-</u>	<u>40,458</u>	<u>108,894</u>

#### b Costs of generating voluntary income

##### *Fundraising*

Salaries and fees	6,610	-	-	6,610	6,290
Promotions	803	-	-	803	350
Running costs	618	-	-	618	1,145
	<u>8,031</u>	<u>-</u>	<u>-</u>	<u>8,031</u>	<u>7,785</u>

##### *Management and administration*

Salaries and office costs	21,627	-	-	21,627	19,372
Depreciation	600	-	-	600	600
	<u>22,227</u>	<u>-</u>	<u>-</u>	<u>22,227</u>	<u>19,972</u>

4. **Other recognised gains and losses**

	2019	2018
	£	£
<b>Quoted investments India</b>		
Fair value at 1 <sup>st</sup> April 2018	89,341	87,281
Additions	-	-
Disposals	-	-
Net unrealised gains/losses	(21,650)	2,060
Fair value as at 31 <sup>st</sup> March 2019	<u>67,691</u>	<u>89,341</u>
Historical costs as at 31 <sup>st</sup> March 2019	<u>2,954</u>	<u>2,954</u>

Shares in CESC have been revalued on the basis of their fair value on 31<sup>st</sup> March 2019.  
The fair value per share on that day was 802.12p (31<sup>st</sup> March 2018 – 1,058.67p).

5. **International Children's Trust Employees & Staff Costs**

	2019	2018
<b>Employees</b>		
The average number of employees during the year calculated on a full time equivalent basis and analysed by function was:		
Charitable activities	0.75	0.75
Management and administration	<u>0.25</u>	<u>0.25</u>
	1.0	1.0
<b>Staff Costs</b>	£	£
Salaries	26,042	25,000
Social security costs	-	-
Pension costs	<u>400</u>	<u>159</u>
	<u>26,442</u>	<u>25,159</u>

No employee received more than £60,000 in the year.

6. **Directors Remuneration**

	2019	2018
	£	£
Salaries paid to The Management of Council	-	6,290
	<u>-</u>	<u>6,290</u>

7. **Directors Expenses**

Members of the International Children's Trust's Council of Management are entitled to receive reasonable out of pocket expenses.  
Expenses paid during the year are as follows:

	2019	2018
	£	£
Travel and sundry costs	-	165
	<u>-</u>	<u>165</u>

Trustees indemnity insurance of £190 (2018: £190) was paid during the year.

**8. Tangible Fixed Assets**

	<b>Fixtures &amp; Fittings</b>
<b>Cost or valuation</b>	
At 1 April 2018	7,434
Additions	-
Disposals	-
At 31 March 2019	<u>7,434</u>
<b>Depreciation</b>	
At 1 April 2018	6,300
Disposals	-
Charge for the year	600
At 31 March 2019	<u>6,900</u>
<b>Net Book Value</b>	
At 31 March 2019	<u>534</u>
At 31 March 2018	<u>1,134</u>

All tangible fixed assets were used for administrative purposes.

**9. Fixed Asset Investments**

	<b>Quoted</b>	<b>Unquoted</b>	<b>Total 2019</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
CESC Ltd - 8,439 £1 ordinary shares	67,691	-	67,691	89,341
	<u>67,691</u>	<u>-</u>	<u>67,691</u>	<u>89,341</u>

**10. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Income Tax recoverable	6,058	1,248
Prepayments	111	63
Accrued interest and dividends	-	-
Other debtors	68	238
	<u>6,237</u>	<u>1,549</u>

**11. Creditors - amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Taxation & Social Security	417	392
Other creditors and accruals	2,202	6,968
	<u>2,619</u>	<u>7,360</u>



12. Funds	Balance b/fwd	Movement in resources		Balance c/fwd
	£	Income £	Outgoing £	£
<b>Restricted Funds</b>				
Bangladesh - BISAP	-	-	-	-
Burkina Faso - Keeogo	81	-	-	81
Ecuador - JUCONI	4,761	14,688	15,611	3,838
Ghana - Youth Alive	-	-	-	-
India - Arnold Lodge (see note 15)	64,325	-	19,477	44,848
India - Inner Wheel Club of Madras (Barbara Kelly Home)	773	383	-	1,156
India - Rotary Club of Madras (Gummidipoondi/Selaiyur)	1,479	9,750	2,888	8,341
India - SARTHI	-	-	-	-
India - SDET	4,186	(2,160)	-	2,026
Mexico - JUCONI	6,078	8,901	2,656	12,323
Sarthi	850	-	500	350
South Africa - New Life	2,181	-	-	2,181
Sri Lanka - SERVE	1,454	1,847	1,684	1,617
Sri Lanka - Lions Scholarship Fund	-	-	-	533
Zimbabwe - Chiedza	-	1,314	-	1,314
	<u>86,701</u>	<u>34,723</u>	<u>42,816</u>	<u>78,608</u>
<b>Endowment Funds</b>				
General endowment fund	<u>7,625</u>	-	-	<u>7,625</u>
	<u>7,625</u>	-	-	<u>7,625</u>

13. Analysis of Net Assets between funds	Tangible fixed assets £	Investments £	Net current assets £	Total £
<b>Restricted funds</b>				
Bangladesh - BISAP	-	-	-	-
Burkina Faso - Keeogo	-	-	81	81
Ecuador - JUCONI	-	-	3,838	3,838
Ghana - Youth Alive	-	-	-	-
India - Arnold Lodge	-	48,737	(3,889)	44,848
India - Inner Wheel Club of Madras (Barbara Kelly Home)	-	-	1,156	1,156
India - Rotary Club of Madras (Gummidipoondi/Selaiyur)	-	-	8,341	8,341
India - SARTHI	-	-	-	-
India - SDET	-	-	2,026	2,026
Mexico - JUCONI	-	-	12,323	12,323
Sarthi	-	-	350	350
South Africa - New Life	-	-	2,181	2,181
Sri Lanka - SERVE	-	-	1,617	1,617
Sri Lanka - Lions Scholarship Fund	-	-	533	533
Zimbabwe - Chiedza	-	-	1,314	1,314
	-	<u>48,737</u>	<u>29,871</u>	<u>78,608</u>
<b>Unrestricted funds</b>	534	18,954	77,589	97,077
<b>Endowment funds</b>	-	-	7,625	7,625
	<u>534</u>	<u>67,691</u>	<u>115,085</u>	<u>183,310</u>

#### **14. Financial Commitments**

At 31st March 2019 the company had total future minimum lease payments under non-cancellable operating leases as follows:

	2019 Land & Buildings £	2019 Other £	2018 Land & Buildings £	2018 Other £
Within one year	-	-	-	-
Between 2-5 years	-	-	-	-

#### **15. Linked Charity**

These accounts incorporate The Arnold Lodge Funds, a linked charity of which International Children's Trust is the custodian trustee. The balance on the restricted fund, Arnold Lodge, of £44,848 (2018 - £64,325) relates to this linked charity.

#### **16. Control**

No individual has a controlling interest in the charity.

#### **17. Related Party Transactions**

During the year, no goods and services were supplied to related parties (2018: £Nil)

# 18. Statement of Financial Activities – Fund comparatives

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £
<b>Income from:</b>					
Donations, sponsorship & membership	2a	25,718	26,073	-	51,791
Grants from Government agencies	2b	5,836	61,601	-	67,437
Grants from other sources	2c	750	6,150	-	6,900
Activities for generating funds	2d	4,730	-	-	4,730
Investments	2e	39	177	-	216
Other	2f	(411)	-	-	(411)
<b>Total income</b>		<b>36,662</b>	<b>94,001</b>	<b>-</b>	<b>130,663</b>
<b>Expenditure on:</b>					
Charitable activities	3a	13,603	95,291	-	108,894
Costs of generating voluntary income	3b				
- Fundraising		7,785	-	-	7,785
- Management and administration		19,972	-	-	19,972
<b>Total expenditure</b>		<b>41,360</b>	<b>95,291</b>	<b>-</b>	<b>136,651</b>
<b>Net income/(expenditure) before transfers</b>		<b>(4,698)</b>	<b>(1,290)</b>	<b>-</b>	<b>(5,988)</b>
Gross transfers between funds		-	-	-	-
<b>Net income/(expenditure) before gains &amp; losses on investments</b>		<b>(4,698)</b>	<b>(1,290)</b>	<b>-</b>	<b>(5,988)</b>
Net gains/(losses) on investments		(211)	2,271	-	2,060
<b>Net movement of funds</b>		<b>(4,909)</b>	<b>981</b>	<b>-</b>	<b>(3,928)</b>
Funds brought forward		116,980	85,720	7,625	210,325
<b>Balances carried forward</b>		<b>112,071</b>	<b>86,701</b>	<b>7,625</b>	<b>206,397</b>